

Venture Capital: A Strategic Planning Process

Christopher M. Quigley
B.Sc. (Accounting), M.I.I. (Grad.), M.A.

Success Through Strategic Planning.

In today's global technological environment being unprepared is not an option.

A strategic approach to planning, which used to be only relevant to larger firms, is now appropriate to even the smallest of concerns. The conceptual environment is changing so fast, strategic perspectives have become absolutely paramount.

Recent academic research has proven that the extent of a firms' success is directly related to the degree to which a planning process is internally formalized with that firm. The results of numerous doctoral theses have also proved that it is not the actual plans themselves that promote success, but rather the formal strategic planning process. This procedure brings about a mind-set and culture, which supports and promotes achievement and the will to win.

Ideally the strategic process should involve the following elements:

- 1. Identify the unique business concept or service around which the enterprise will win by creating a successful business culture and structure.**
- 2. Identify the main objectives of the company and formally document them.**
- 3. Having identified the unique core concept of the firm, identify opportunities and threats.**
- 4. Evaluate the firms' internal strengths and weaknesses.**
- 5. Know the key competitors to the firm and formalize the threats, opportunities, strengths and weaknesses of those competitors**
- 6. Evaluate the external environment and document change elements that could have particular relevance to the industry and core business model.**
- 7. Based on the foregoing review set out the optimum strategic goals of the enterprise and plan the detailed execution of those goals. This plan should source and allocate scarce resources.**

8. Implement the plan based on a set timeline. Responsibility should rest with higher management and should be reviewed on a regular basis.

Ad-Hocracy.

The group or committee appointed to develop the strategic plan should be an ad-hoc team comprising the chief executive, appropriate managers and any timely additional expert input deemed essential.

Ad-Hocracy is: **“any form of organization that cuts across normal bureaucratic lines to create a culture that captures opportunities, solve problems and gets results.”**

"In an era of accelerating change, organizational and national economies most likely to succeed are those with the ability to adjust and adapt..... This sort of innovation must become a way of life for business organizations across the board. What is needed is an environment that fosters successful problem solving techniques, outside standard bureaucracy."

Once strategic objectives have been met the ad-hoc group should be disbanded lest it become subsumed into the enterprise and form an additional layer of management, making more complicated the job of the chief executive.

The Future Is The Constantly Changing Present.

Let us be resolute in our analysis of the entrepreneurial future.

There will be constant untimely change; thus there will be challenge but also opportunity.

The global economy will succeed; it is only a matter of who will own that success.

Crises bring the ideal situations for those who want to grow and prosper fast, but preparation and vigilance is the price.

There is no better management formula for prescribing success in change than the Ansoff STRATEGIC PLANNING PROCESS outlined above.

The simple reason for its success is that it allows for total and constant change on all levels and trains management to think in terms not simply of goals but OPTIMUM GOALS, TAKING ADVANTAGE OF UNIQUE BUSINESS STRENGTHS AND THE MITIGATING OF WEAKNESSES.

The process also does not only think solely in terms of the host firm but also in matters pertaining to the competition and the environment.

The corporations of the future will be the small firms and business of today thinking with a STRATEGIC PLANNING MINDSET.

The non-strategic corporations of today will be the historical footnotes of tomorrow.

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